

United States Bankruptcy Court District of Arizona

VOLUNTARY PETITION

IN RE: (Name of debtor - If individual, enter: Last, First, Middle)
Baptist Foundation of Arizona

NAME OF JOINT DEBTOR (Spouse)(Last, First, Middle)
Not Applicable

ALL OTHER NAMES used by debtor in the last 6 years (inc. married, maiden, and trade names)
N/A

ALL OTHER NAMES used by joint debtor in the last 6 years (inc. married, maiden, and trade names)
Not Applicable

SOC. SEC./TAX I.D. NO. (If more than one, state all)
86-6053579

SOC. SEC./TAX I.D. NO. (If more than one, state all)
Not Applicable

ECF CASE

STREET ADDRESS OF DEBTOR (No. and street, city, state and zip code)

**1313 East Osborn Road, Suite 250
Phoenix, Arizona 85014**

STREET ADDRESS OF JOINT DEBTOR (No. and street, city, state and zip code)

Not Applicable

'99 13275 PHX GBN

COUNTY OF RESIDENCE/BUSINESS: **Maricopa County, Arizona**

COUNTY OF RESIDENCE/BUSINESS:

MAILING ADDRESS OF DEBTOR (If different from street address)

MAILING ADDRESS OF JOINT DEBTOR (If different from street address)
Not Applicable

LOCATION OF PRINCIPAL ASSETS OF BUSINESS DEBTOR (if other than street address)

VENUE (Check one box)

- ☒ Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.
☐ There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.

INFORMATION REGARDING DEBTOR (Check applicable boxes)

TYPE OF DEBTOR (Check one box)

- ☐ Individual ☐ Corporation Publicly Held
☐ Joint (Husband & Wife) ☐ Corporation Not Publicly Held
☐ Partnership ☐ Municipality
☒ Other: **An Arizona 501(c)(3) nonprofit corporation**

NATURE OF DEBT (Check one box)

- ☐ Non-Business/Consumer ☒ Business-Complete A&B below

A. TYPE OF BUSINESS (Check one box)

- ☐ Farming ☐ Transportation ☐ Commodity Broker
☐ Professional ☐ Manufacturing/ ☐ Construction
☐ Retail/Wholesale ☐ Mining ☐ Real Estate
☐ Railroad ☐ Stockbroker ☒ Other Business

CHAPTER OR SECTION OF BANKRUPTCY CODE FOR PETITION (Check one box)

- ☐ Chapter 7 ☒ Chapter 11 ☐ Chapter 13
☐ Chapter 9 ☐ Chapter 12 ☐ Sec. 304

SMALL BUSINESS (Chapter 11 only)

- ☐ Debtor is a small business as defined in 11 U.S.C. § 101.
☐ Debtor is and elects to be considered a small business under 11 U.S.C. § 112(e). (opt'l)

FILING FEE (Check one box)

- ☒ Filing fee attached
☐ Filing fee to be paid in installments. (Applicable to individuals only.) Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b); see Official Form No. 3

B. BRIEFLY DESCRIBE NATURE OF BUSINESS

An Arizona nonprofit corporation which: (1) provides resources for Christian ministries by performing trust, estate and will planning, land banking for church sites, and lending for church construction; and (2) operates retirement and care centers for senior adults.

NAMES AND ADDRESS OF LAW FIRM

**Squire, Sanders & Dempsey L.L.P.
40 North Central, Suite 2700
Phoenix, Arizona 85004
Telephone No: (602) 528-4000**

NAMES OF DESIGNATED ATTORNEYS

**Craig Hansen AZ # 007405
Thomas Salerno AZ # 007492
Renee Sandler Shamblin AZ # 017473**

STATISTICAL/ADMINISTRATIVE INFORMATION (28 U.S.C. § 604)
(Estimates only)(Check applicable boxes)

☐ Debtor is not represented by an attorney. Telephone No. of Debtor not represented by an attorney:

- ☒ Debtor estimates that funds will be available for distribution to unsecured creditors.
☐ Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.

THIS SPACE FOR COURT USE ONLY

ESTIMATED NUMBER OF CREDITORS*

1-15	16-49	50-99	100-199	200-999	1000-over
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
ESTIMATED ASSETS (in thousands of dollars)*					
Under 50	50-99	100-499	500-999	1,000-9,999	10,000-99,999
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
ESTIMATED LIABILITIES (in thousands of dollars)*					
Under 50	50-99	100-499	500-999	1,000-9,999	10,000-99,999
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
EST. NO. OF EMPLOYEES - CH. 11 & 12 ONLY*					
0	1-19	20-99	100-999	1000-over	
<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
EST. NO. OF EQUITY SECURITY HOLDERS - CH. 11 & 12 ONLY*					
0	1-19	20-99	100-999	1000-over	
<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

*Subject to consolidation with certain related entities and affiliates of the Debtor.

FMC
@ 12-21-99
@ 2:00
FILED
1999 NOV -9 A 3:01
CLERK OF COURT
U.S. BANKRUPTCY COURT
DISTRICT OF ARIZONA

FILING OF PLAN		
<div style="display: flex; justify-content: space-between;"><div>For Chapter 9, 11, 12 and 13 cases only. Check appropriate box. <input type="checkbox"/> A copy of debtor's proposed plan dated _____ is attached.</div><div><input checked="" type="checkbox"/> Debtor intends to file a plan within the time allowed by statute, rule or order of the court.</div></div>		
PRIOR BANKRUPTCY CASE FILED WITHIN LAST 6 YEARS (if more than one, attach additional sheet)		
Name of Debtor None	Case Number	Date
PENDING BANKRUPTCY CASE FILED BY ANY SPOUSE, PARTNER, OR AFFILIATE OF THE DEBTOR (if more than one, attach additional sheet)		
Name of Debtor None	Case Number	Date
Relationship	District	Judge
REQUEST FOR RELIEF Debtor is eligible for and requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.		
SIGNATURES		
<div style="display: flex; justify-content: space-between;"><div style="width: 45%;"><p>ATTORNEY <input checked="" type="checkbox"/> <u>Craig D. Hansen</u> Craig D. Hansen Thomas J. Salerno Renee Sandler Shamblin</p></div><div style="width: 45%; text-align: right;"><p><u>11-8-99</u> Date</p></div></div>		
<p style="text-align: center;">INDIVIDUAL/JOINT DEBTOR(S)</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct.</p> <p><input checked="" type="checkbox"/> Not Applicable</p> <p>_____ Date</p> <p><input checked="" type="checkbox"/> Not Applicable</p> <p>_____ Date</p>	<p style="text-align: center;">CORPORATE OR PARTNERSHIP DEBTOR</p> <p>I declare under penalty of perjury that the information provided in this petition is true and correct and that I have been authorized to file this petition on behalf of the debtor.</p> <p><input checked="" type="checkbox"/> <u>Dennis E. McKelvie</u> Signature of Authorized Individual</p> <p><u>Dennis E. McKelvie</u> Print or Type Name of Authorized Individual</p> <p><u>Authorized Agent</u> Title of Individual Authorized by Debtor to File this Petition</p> <p><u>11-8-99</u> Date</p> <p>If the debtor is a corporation filing under chapter 11, Exhibit "A" is attached and made part of this petition.</p>	
<div style="display: flex; justify-content: space-between;"><div style="width: 48%;"><p style="text-align: center;">TO BE COMPLETED BY INDIVIDUAL CHAPTER 7 DEBTOR WITH PRIMARYLY CONSUMER DEBTS (See P.L. 98-353 § 322)</p><p>I am aware that I may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7 of such title. If I am represented by an attorney, Exhibit "B" has been completed.</p><p><input checked="" type="checkbox"/> Not Applicable Signature of Debtor _____ Date _____</p><p><input checked="" type="checkbox"/> Not Applicable Signature of Joint Debtor _____ Date _____</p><p style="text-align: center;">EXHIBIT "B" (To be completed by attorney for individual chapter 7 debtor(s) with primarily consumer debts.)</p><p>I, the attorney for the debtor(s) named in the foregoing petition, declare that I have informed the debtor(s) that (he, she, or they) may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under such chapter.</p><p><input checked="" type="checkbox"/> Not Applicable Signature of Attorney _____ Date _____</p></div><div style="width: 48%;"><p style="text-align: center;">CERTIFICATION AND SIGNATURE OF NON-ATTORNEY BANKRUPTCY PETITION PREPARER (See 11 U.S.C. § 110)</p><p>I certify that I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110, that I prepared this document for compensation, and that I have provided the debtor with a copy of this document.</p><p><input checked="" type="checkbox"/> Not Applicable Printed or Typed Name of Bankruptcy Petition Preparer _____</p><p>_____ Social Security Number</p><p>_____ Address</p><p>_____ Telephone</p><p>Name and Social Security number of all other individuals who prepared or assisted in preparing this document:</p><p>If more than one person prepared this document, attach additional signed sheets conforming to the appropriate Official Form for each person.</p><p><input checked="" type="checkbox"/> Signature of Bankruptcy Petition Preparer _____</p><p>A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 156.</p></div></div>		

UNITED STATES BANKRUPTCY COURT
District of Arizona

In re: Baptist Foundation of Arizona

Case No. _____
Chapter 11

Exhibit "A" to Voluntary Petition

1. Debtor's employer identification is 86-6053579
2. If any of debtor's securities are registered under section 12 of the Securities and Exchange Act of 1934, the SEC file number is: N/A.
3. The following financial data is the latest available information and refers to debtor's condition on, September 30, 1999.*

a.	Total assets	\$447,840,477.71	
b.	Total liabilities	\$480,343,205.50	
			Approximate number of holders
	Fixed, liquidated secured debt	\$336,206,441.22	7,127
	Contingent secured debt	0	0
	Disputed secured claims	0	0
	Unliquidated secured debt	0	0
			Approximate Number of Holders
	Fixed, liquidated unsecured debt	\$144,136,764.28	4,189
	Contingent unsecured debt	0	0
	Disputed unsecured claims	0	0
	Unliquidated unsecured debt	0	0
	Numbers of shares of preferred stock	0	0
	Number of shares of common stock	0	0
	Comments, if any:	Total liabilities do not include accrued interest.	

4. Brief description of debtor's business:

An Arizona nonprofit corporation which: (1) provides resources for Christian ministries by performing trust, estate and will planning, land banking for church sites, and lending for church construction; and (2) operates retirement and care centers for senior adults.

5. List the name of any person who directly or indirectly owns, controls, or holds, with power to vote, 20% or more of the voting securities of debtor:

Arizona Southern Baptist Convention

6. List the names of all corporations with 20% or more of the outstanding voting securities of which are directly or indirectly owned, controlled, or held, with power to vote, by debtor.

Foundation Pool Management, Inc.
Foundation Asset Management, Inc.
Foundation Housing Corporation
Baptist Senior Life Ministries, Inc.
Foundation Administrative Services, Inc.
Christian Investment Services, Inc.

* see next page for information regarding the financial data.

EXHIBIT A

The Companies have filed a Motion with the Bankruptcy Court as part of their Chapter 11 cases to consolidate, for substantive purposes, the assets of Baptist Foundation of Arizona, Arizona Southern Baptist New Church Ventures, Inc., A.L.O., Inc. and E.V.I.G., Inc., and each of their subsidiaries. Based upon the prior business practices of Baptist Foundation of Arizona and its subsidiaries, this Exhibit "A" has been prepared on a consolidated basis for Baptist Foundation of Arizona and its subsidiaries. The asset values set forth on this Exhibit "A" are estimates only, and the actual values may be materially less than the amounts reflected above. The Companies are in the process of finalizing the asset valuations and this Exhibit "A" will be amended accordingly.

Note that a portion of the Notes receivable are related to affiliate companies that are a part of the bankruptcy filing and that these Notes are considered by management to be substantially uncollectible. No reserve has been made for the principal outstanding balance on these Notes, however all accrued interest for these Notes has been reserved.

In re: Baptist Foundation of Arizona

Case No. _____

Chapter 11

List Of Creditors Holding 30 Largest Unsecured Claims

Name of creditor and complete mailing address including zip code	Name, telephone number and complete mailing address, including zip code, of employee, agent, or dept. of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed or subject to setoff	Amount of claim [if secured also state value of security]
TFCI Note Trust III 722 E. Osborn Rd., #320 Phoenix, AZ 85014	Carl Osterman	Noteholder		5,620,000.00
Darrel Srader Ford, Inc. P.O. Box 290 Sonoita, AZ 85637-0290	(520) 586-3661	Noteholder		3,697,359.27
Rosemary McCord 1624 Hawthorne Court Norman, OK 73072-6720	(405) 329-5408 (405) 364-4276	Noteholder		1,960,953.86
Reliable Investments 2425 E. Camelback Rd., #975 Phoenix, AZ 85016		Noteholder		1,806,052.00
First Southern Baptist Church 7149 N. 58th Avenue Glendale, AZ 85301-2457	(623) 937-9216 (623) 934-8459	Noteholder		1,440,374.30
Mickey A. Clark 19240 N. Quail Run Road Florence, AZ 85232-9412	(520) 868-4459	Noteholder		948,872.60
Annuity Liability – Millett 65 S. Mesa Dr. Mesa, AZ 855210	Donald G. Millett	Noteholder		824,000.00
Ronald F. Slaymaker 3518 Upland Drive Anchorage, AK 99504-4074	(907) 333-5618 (907) 274-0011	Noteholder		800,000.00
Robert B. Rinehart 522 E. Polk Street Richardson, TX 75081-4264	(972) 235-2636	Noteholder		761,600.26
Jimmie Sanders 251 W. San Ignacio Green Valley, AZ 85614-3817	(520) 648-2827	Noteholder		746,124.70

Name of creditor and complete mailing address including zip code	Telephone number and complete mailing address, including zip code, of employee, agent, or dept. of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed or subject to setoff	Amount of claim [if secured also state value of security]
Stardust Bible Church P.O. Box 5760 Sun City West, AZ 85376-5760	(623) 546-4884	Noteholder		710,744.52
Earnest Ray Campbell P.O. Box 466 Topock, AZ 86436-0466	(520) 768-2487	Noteholder		640,413.27
Annuity Liability – Birdsell 216 N. Center Mesa, AZ 85201	Marion R. & Belly J. Jordan c/o David Birdsell Trustee	Noteholder		585,398.00
David Ernest Geer 854 E. Artesia Road Safford, AZ 85546-7830	(520) 428-2380	Noteholder		557,523.33
James Ralph Smith 549 Grandview Drive Cookeville, TN 38506-4950	(931) 526-2898 (931) 979-0964	Noteholder		538,438.58
Daniel Bender P.O. Box 365 Litchfield Park, AZ 85340-0365	(623) 853-9020 (520) 779-9971	Noteholder		521,115.83
Georgia M. Norris 3806 W. Missouri Avenue Phoenix, AZ 85019-2134	(602) 973-9039	Noteholder		487,590.47
James M. Wheeler 4642 E. Wickersham Road Hereford, AZ 85615-9673	(520) 378-9639	Noteholder		415,000.00
Retama Park Baptist Church P.O. Box 433 Kingsville, TX 78364-0433	(361) 592-6429	Noteholder		410,325.24
Ira Delbert Green Family Trust 303 E. Markley Drive Casa Grande, AZ 85222-3411	(520) 836-8656 (520) 836-7713	Noteholder		405,271.99
Donald E. Pewitt 1753 E. Marconi Avenue Phoenix, AZ 85022-3374	(602) 404-2049 (602) 677-4300	Noteholder		404,559.43
Ira D. Green 303 E. Markley Drive Casa Grande, AZ 85222-3411	(520) 836-8656	Noteholder		401,168.32

Name of creditor and complete mailing address including zip code	telephone number and complete mailing address, including zip code, of employee, agent, or dept. of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed or subject to setoff	Amount of claim [if secured also state value of security]
Marian D. Tanaka HC 78 Box 170 Bassett, NE 68714-9558	(402) 684-2870	Noteholder		385,588.00
Sybil F. Nelson P.O. Box 205 Laclede, ID 83841-0205	(208) 263-7083 (208) 263-6492	Noteholder		374,392.68
William D. Armstrong 131 N.W. 20 th Street, #6524 Newport, OR 97365-2147	(541) 459-8053	Noteholder		362,111.63
Annuity Liability – Fleming 5950 W. Missouri Ave., Lot #8 Glendale, AZ 85301	Wallis T. Fleming	Noteholder		344,713.00
Ruth G. Thompson 230 E. Garfield Street Tempe, AZ 85281-1013	(480) 946-6110	Noteholder		343,697.59
George Linn Rimsek P.O. Box 242 Litchfield Park, AZ 85340-0242	(623) 935- 2422 (623) 936-3316	Noteholder		341,268.40
Theodore B. Greer 6250 N. 19th Avenue, Apt. 235 Phoenix, AZ 85015-1558	(602) 242-6127	Noteholder		336,407.28
Billy B. Watkins 206 W. Kinderman Drive Avondale, AZ 85323-1865	(623) 932-1346	Noteholder		331,315.60

I, Dennis E. McElvinn, the Agent of Baptist Foundation of Arizona named as a debtor in this case, declare under penalty of perjury that I have read the foregoing list and that it is true and correct to the best of my information and belief.

Date: 11-8, 1999

Signature: _____

Dennis E. McElvinn

UNITED STATES BANKRUPTCY COURT
District of Arizona

In re: Baptist Foundation of Arizona

Case No. _____

Chapter 11

Statement Regarding Authority To Sign And File Petition

I, Dennis McElaine, declare under penalty of perjury that I am the Authorized Agent of Baptist Foundation of Arizona, an Arizona non-profit corporation, and that on August 26, 1999, a resolution was duly adopted by the Board of Directors of this corporation, a copy of which is attached hereto as Exhibit "1", authorizing me to sign and file the attached Petition on Baptist Foundation of Arizona's behalf.

Executed on: 11-8, 1999

Signed: 

EXHIBIT "1"

**FORM OF RESOLUTIONS TO BE ADOPTED
BY THE
BOARD OF DIRECTORS
OF
BAPTIST FOUNDATION OF ARIZONA**

August 26, 1999

WHEREAS, the Board of Directors (the "Board") of the Baptist Foundation of Arizona, Inc. (the "Corporation") has determined that it is in the best interests of the Corporation and some or all of its subsidiaries to file a voluntary petitions in the United States Bankruptcy Court pursuant to Chapter 11 of Title 11 of the United States Code;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Corporation hereby delegates to the Executive Oversight Committee of the Corporation (the "EOC") the authority to oversee the preparation and filing of such bankruptcy petitions and to make any and all decisions and determinations regarding such bankruptcy petitions and the filing thereof (including, without limitation, the particular subsidiaries to file bankruptcy petitions, the form and content of such petitions and the timing of the filings thereof);

RESOLVED FURTHER, that the President, any Vice President, the Treasurer, the Secretary and any other officers of the Corporation or any member of the EOC (the "Authorized Persons"), and any member or associate of Squire, Sanders & Dempsey L.L.P. or any other law firm designated by the EOC to represent the Corporation and its subsidiaries in connection with such matters, are hereby authorized and directed to execute and deliver all documents necessary to effect the filing of a Chapter 11 voluntary bankruptcy cases on behalf of the Corporation and some or all of its subsidiaries, under the direction and subject to the approval of the EOC;

RESOLVED FURTHER, that the Authorized Persons are hereby authorized and directed to appear in all bankruptcy proceedings on behalf of the Corporation and its subsidiaries, and to otherwise do and perform all acts and deeds and to execute and deliver all necessary documents on behalf of the Corporation and its subsidiaries in connection with such bankruptcy cases;

RESOLVED FURTHER, that the Authorized Persons are hereby authorized and directed to employ the law firm of Squire, Sanders & Dempsey L.L.P. and any such other law firms as the EOC may designate to represent the Corporation and some or all of its subsidiaries in such bankruptcy cases;

RESOLVED FURTHER, that the officers of the Corporation and its subsidiaries, and any member of the EOC, or any of them, and other persons appointed to act on the Corporation's and its subsidiaries behalf in connection with the bankruptcy filings, are hereby authorized and empowered by and on behalf of the Corporation and its subsidiaries and in their names, to execute and deliver all applications, certificates, agreements or any other instruments or documents or any amendments or supplements thereto and to do and to cause any and all other acts and things as they or any of them may deem necessary or appropriate to effectuate the

purpose of the foregoing resolutions and the execution by such officer or officers of such documents shall conclusively establish their authority therefore from the Corporation and its subsidiaries and the approval and ratification by the Corporation and its subsidiaries of such documents so executed and the actions so taken;

RESOLVED FURTHER, that any such action taken prior to the effective date of these resolutions by the EOC, the Authorized Persons, or any of them, or any other persons appointed to act on the Corporation's or any of its subsidiaries behalf in connection with the foregoing resolutions, are hereby ratified, confirmed and approved;

RESOLVED FURTHER, that the EOC and the Authorized Persons be, and each of them hereby are, authorized and directed to undertake such further acts, and to execute and deliver such documents as may be necessary and appropriate to implement the purposes and intent of the foregoing resolutions;

RESOLVED FURTHER, that the Board of Directors hereby adopts, as if fully set forth herein, the form of any and all resolutions required in connection with the matters set forth herein, provided that (i) the EOC deems the adoption of such resolutions necessary or advisable and (ii) the Secretary or an Assistant Secretary of the Corporation and any of its subsidiaries evidences such adoption by filing copies of such resolutions in the Corporation's and any of its subsidiaries minute books; and

RESOLVED FURTHER, that any and all action taken by the EOC or any Authorized Person in effecting the purpose of the foregoing resolutions prior to the date the foregoing resolutions are actually adopted is hereby ratified, approved, confirmed and adopted in all respects.